

**GOED Board Meeting Minutes**  
November 10, 2011 • 10:00 a.m.  
Governor's Office of Economic Development  
324 South State Street, Suite 500

<b>Members Present:</b>	Jake Boyer, Jack Brittan (phone), Mel Lavitt, Lowry Snow, Kate Riggs, Cliff White (phone), Sam Granato, Brent Brown, Peter Mouskondis, Rob Adams, Amy Anderson, Jerry Oldroyd, Mike Dowse
<b>Staff:</b>	Sophia Dicaro, Christopher M. Conabee, Eric Nay, Tamy Dayley, Zachary Derr, Tara Thue, Kelleigh Cole, Marie Madge, Steve Gooch, Michael Sullivan, Michael O'Malley, Marshall Moore, Mimi Davis-Taylor, Derek Mellus, Vatsala Kaul, Gary Harter, Winston Wilkinson, Fred Lange
<b>Visitors:</b>	Todd Brightwell, Jeff Edwards, Craig Zaulk, Vic Mahoney, Kynan Griffin, Jason Faller

## Welcome

Mel Lavitt, chairman of the Governor's Office of Economic Development, welcomed everyone to the November 10, 2011 board meeting at the Governor's Office of Economic Development.

## Approval of the October 13, 2011 minutes

**MOTION: Mike Dowse moved to approve the minutes of October 13, 2011 GOED Board Meeting. Jerry Oldroyd seconded the motion. Motion carried unanimously.**

## EDTIF- Pepperidge Farms

### Project Highlights

- Plant expansion for additional production line for Goldfish product
- Timeline: Groundbreaking 2012 with production startup scheduled for March 2014
- Target Industry: Manufacturing
- Proposed Location: Richmond
- Capital Investment: will include up to \$45 million of capital investment. Approximately \$14 million of the capital investment will be used on building expansion and the remaining \$31 million will be used on fixtures, machinery and equipment.

### Jobs and Revenue

- 54 new full-time, qualified permanent employment positions starting 2015
- Pepperidge Farm, Inc. provides all full time permanent employees with comprehensive health and retirement benefits

**MOTION: Jerry Oldroyd moved to approve for Pepperidge Farm, Inc. a \$475,032 EDTIF post-performance refundable tax credit which represents 25% of new state revenue for qualified employees over 10 Total EDTIF incentive not to exceed \$475,032 EDTIF post-performance refundable tax credit. Mike Dowse seconded the motion. Motion was carried unanimously.**

- Annual EDTIF incentive amount based on 25% of qualified new incremental state tax revenues generated and receipted in the previous calendar year.
- Total incentive not to exceed 25% of qualified new incremental state tax revenues over 10 years
- Must meet new qualified employment projections, employee headcount at the stated wage 50% criteria.
- Annual total project average salary of new employees to be at least 100% of the Cache County Average including company contributed health insurance premiums.

- Must commit to keep operation in Utah for the length of the incentive period.
- Incentives are outlined in the approved local incentive and subject to local incentive participation.
- Only new state revenue and new jobs created after the GOED Board final approval date are eligible for this incentive.
- Incentives are provided post-performance upon review and verification of receipted state taxes and performance requirements as outlined above.

Victor Mahoney from Pepperidge Farm gave a brief overview of how long the production plant has been around and what they make in those plants. He also spoke on the accomplishments of their company and the wonderful workforce they have to work with in Richmond. He thanked the Governor and GOED Board for their support and their excitement to get started on their new line in 2014.

#### **EDTIF- Incomm**

##### **Project Highlights**

- Expansion of software development and logistics operations
- Timeline: Immediately upon site due diligence completion
- Target Industry: IT
- Proposed Location: Salt Lake County
- Capital Investment: None at this time.

##### **Jobs and Revenue**

- 101 new full-time, permanent employment positions created over the life of the project
- Incomm provides all full time permanent employees with comprehensive health benefits, online training certification and tuition reimbursement
- New State Wages over 5 years: \$ 21,771,000
- New State Revenue over 5 years: \$ 1,703,877

**MOTION: Jerry Oldroyd moved to approve for Incomm a \$340,775 EDTIF post-performance refundable tax credit which represents 20% of new state revenue for 5 years.**

**Lowry Snow seconded the motion. The motion was carried unanimously.**

- Total EDTIF incentive not to exceed \$340,775 EDTIF post-performance refundable tax credit
- Annual EDTIF incentive amount based on 20% of qualified new incremental state tax revenues generated and receipted in the previous calendar year
- Total incentive not to exceed 20% of qualified new incremental state tax revenues over 5 years with a contractual recapture provision for any excess funds paid to the company
- Must meet new qualified employment projections, employee headcount at the stated wage % criteria at 50% for each project year
- Annual total project average salary of new employees (not each new position, this is an aggregate annual number) to be at least 125% of the Salt Lake County average wage including company contributed health insurance premiums
- Must commit to keep operation in Utah for the length of the incentive period, 5 years.
- Incentives are site specific and subject to local incentive participation
- Local incentive proposal must be presented and approved by the GOED Incentives Committee in order for company to be eligible for the incentive
- Only new state revenue and new jobs created after the GOED Board final approval date are eligible for this incentive

- Incentives are provided post-performance upon review and verification of receipted state taxes and performance requirements as outlined above

There was not a representative from the company present or on the phone.

Marshall Moore thanked the GOED Board for their support in approving film incentives and let everyone know that he has received phone calls from other states wondering what Utah is doing. He also gave an update on the amount of money that is still in the MPIF fund.

Kynan Griffin and Jason Faller, two producers spoke briefly on the perks of making a film in Utah. Utah is one of the cheapest states to work in and also Utah is a right to work state so they do not have to work within Unions.

### **MPIF: “Turning Point Season 2”**

#### **Project Highlights**

- |              |  |
|--------------|--|
| • Category:  | Television Series  |
| • Genre:     | Documentary  |
| • Director:  | Greg Kiefer, Marty Patch, John Murphy, Ethan Vincent, Gordon Huston, Steve Olpin |
| • Producers: | Sam Wallace, Marty Patch   |

#### **Utah Jobs and Revenue**

- |                                    |               |
|------------------------------------|---------------|
| • Estimated Cast:                  | None          |
| • Estimated Cast Average Salary:   | n/a           |
| • Estimated Crew:                  | 18-20         |
| • Estimated Crew Average Salary:   | \$428/day     |
| • Estimated Extras:                | 50            |
| • Estimated Extras Average Salary: | \$250-400/day |
| • Length of Film Production:       | 50-60 days    |
| • Estimated Spend:                 | \$1,114,433   |

**MOTION: Amy Rees Anderson moved to approve for Cosmic Pictures a Motion Picture Incentive Program post-performance tax credit of no less than \$222,886.60 (which represents 20% of dollars left in state) and up to \$278,608.25 (which represents 25% of the dollars left in state) for the production of ‘Turning Point: Season 2’. Peter Mouskondis seconded the motion. The motion was carried unanimously.**

- Incentive offer based on receipt of a complete MPIF application including a script and proof of financing
- Must meet \$1,000,000 minimum dollars left in state to be eligible for the incentive
- Dollars left in state start date no earlier than 30 days prior to the Governor’s Office of Economic Development Board of Directors approval
- Cosmic Pictures may be eligible for an additional 5% incentive upon verification of meeting the criteria as adopted by the GOED Board and administered by the Governor’s Office of Economic Development and the Utah Film Commission. Total incentive with this condition, if all terms are met to the satisfaction of the Utah Film Commission, shall not exceed \$278,608.25 (25% of the dollars left in state)

### **MPIF: “Dr. Fubalous”**

#### **Project:**

- |             |                                  |
|-------------|----------------------------------|
| • Category: | Webseries                        |
| • Genre:    | Comedy                           |
| • Director: | David Liddell Thorpe, TR Gourley |
| • Producer: | Scott Winn                       |

## Utah Jobs and Revenue:

- Estimated Cast: 4
- Estimated Cast Average Salary: \$300/day
- Estimated Crew: 28
- Estimated Crew Average Salary: \$300/day
- Estimated Extras: 30
- Estimated Extras Average Salary: \$50/day
- Length of Film Production: 12 days
- Estimated Spend: \$333,816.25

**MOTION: Amy Rees Anderson moved to approve for Hip Hob Doc, LLC a \$50,072.55 MPIF post-performance cash rebate which represents 15% of dollars left in state for the production of ‘Dr. Fubalous’. Jake Boyer seconded the motion. The motion was carried unanimously.**

- Total incentive not to exceed \$50,072.55 MPIF cash rebate.
- Incentive offer based on receipt of a complete MPIF application including a script and proof of financing.
- Must meet \$200,000 minimum dollars left in state to be eligible for the incentive.
- At least 85% of the productions cast/crew must be Utah Residents and/or Utah Students.

**MPIF: “Camera 40”**

## Project:

- Category: Feature Film (Independent)
- Genre: Comedy
- Director: John Lyde
- Producer: John Lyde

## Utah Jobs and Revenue:

- Estimated Cast: 35
- Estimated Cast Average Salary: \$130/day
- Estimated Crew: 23
- Estimated Crew Average Salary: \$297/day
- Estimated Extras: 41
- Estimated Extras Average Salary: \$0/day
- Length of Film Production: 30 days
- Estimated Spend: \$345,777

**MOTION: Amy Rees Anderson moved to approve for Camera 40 Productions, LLC a \$51,867 MPIF post-performance cash rebate which represents 15% of dollars left in state for the production of ‘Camera 40’. Peter Mouskondis seconded the motion. The motion was carried unanimously.**

- Total incentive not to exceed \$51,867 MPIF cash rebate.
- Incentive offer based on receipt of a complete MPIF application including a script and proof of financing.
- Must meet \$200,000 minimum dollars left in state to be eligible for the incentive.
- At least 85% of the productions cast/crew must be Utah Residents and/or Utah Students.

**GOED Update**

Sophia DiCaro, Deputy Director of GOED spoke on the magazine of Government Technology is recognizing our state for our Health Exchange. The Utah Business issue also highlighted Rich Nelson who was a former Board member and Amy Rees Anderson was also recognized for her leadership and contributions.

Gary Harter gave a brief update on the Aerospace cluster, the Governor was in Canada and they focused on four different clusters this was one of them. He also spoke about the possible trade missions in the future. There was an update on the different composites, what they are and how many sectors are under each.

Michael Sullivan spoke briefly on the Google event and the success; they are going to come back to Utah and tie it into “What’s Up Down South” in St. George working with City Cedar Business Center and Dixie Business Alliance and also have an event in Provo on January 11, 2012 at BYU Entrepreneurship Center and another day in Salt Lake City on January 10, 2012.

### **Incentives Update**

Christopher M. Conabee, Managing Director of Corporate Recruitment and Business Services, gave an update on the Incentives Program regarding new and existing projects in regards to new jobs, new state revenue, capital investment, and also new state wages.

### **EDCU Report**

Todd Brightwell, President of EDCU, provided an update on the amount of projects they have in the pipeline year to date. He spoke on the projects themselves and how many jobs will be created per potential project. Most projects that are in the pipeline currently are larger than they have been in the recent past with more potential revenue and more potential jobs available in the near future.

**Meeting adjourned.**